

**HB-2224**

Submitted on: 1/29/2018 10:58:33 AM

Testimony for EDB on 1/31/2018 10:00:00 AM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Randall Francisco   | County of Kauai     | Support                   | No                        |

Comments:



HAWAII  
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Statement of  
**Karl K. Fooks**  
**President**

Hawaii Strategic Development Corporation

Before the  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS**

Wednesday, January 31, 2018  
10:00 AM  
State Capitol, Conference Room 309

In support of

**HB 2224**  
**RELATING TO THE HIGH TECHNOLOGY**

Chair Evans, Vice Chair Keohokalole and Members of the Committee on Economic Development and Business:

The Hawaii Strategic Development Corporation (HSDC) **opposes** HB 2224, which amends the definition of "qualified high technology business" to include any business operating a hotel, motel, restaurant, or similar business under the Hawaii Technology Investment Program.

The proposed amendment to HRS Section 211F-51 appears to be contrary to purpose of the Hawaii Strategic Development Corporation as stated in HRS Section 211F-2:

The purpose of this corporation shall be to encourage economic development and diversification in Hawaii through innovative actions in cooperation with private enterprises.

As businesses that operate a hotel, motel or restaurant are part of the Tourism Sector and as the Tourism Sector is the dominant and well-developed economic sector of the state, providing financial support to these types of businesses would not promote HSDC's statutory objective of encouraging economic development and diversification. Furthermore, these types of businesses are not commonly understood to be "high technology businesses" and including them under the Hawaii Technology Investment Program may create confusion for investors that may have an interest in the program.

Thank you for the opportunity to provide testimony.